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# BEAUCE PLACER MINING CO. LTD.

(NO PERSONAL LIABILITY)

## NINTH ANNUAL REPORT

Year Ended Dec. 31, 1966



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# Beauce Placer Mining Co. Ltd.

(No Personal Liability)

OFFICERS	M. J. BOYLEN, D.C.L., D.Sc. - - - - <i>President</i> JAMES K. CROWDY - - - - <i>Vice-President and Managing-Director</i> GORDON L. MOORE - - - - <i>Secretary-Treasurer</i> RAYMOND CARON, Q.C. - - - - <i>Assistant-Secretary</i> CHARLES B. BRANNIGAN - - - - <i>Assistant-Treasurer</i>
DIRECTORS	M. J. BOYLEN, D.C.L., D.Sc. - Toronto 18, Ontario JAMES K. CROWDY - - - - Montreal, Quebec ROBERT J. ISAACS - - - - Islington, Ontario FRANC R. JOUBIN - - - - Toronto, Ontario DR. VICTOR LACOURCIER - - La Malbaie, Quebec
HEAD OFFICE	630 Dorchester Boulevard West Montreal 2, Quebec
EXECUTIVE OFFICE	908 - 330 Bay Street - - - - Toronto, Ontario
AUDITORS	THORNE, MULHOLLAND, HOWSON & McPHERSON - - - - Toronto, Ontario
TRANSFER AGENTS	GUARANTY TRUST COMPANY OF CANADA - - - - Toronto, Ontario and Montreal, Quebec

# BEAUCE PLACER MINING CO. LTD.

(No Personal Liability)

## *Directors' Report*

TO THE SHAREHOLDERS:

The Ninth Annual Report of the Company, including a copy of its balance sheet, related financial statements, notes relative thereto and the Report of the Auditors for the year ended December 31, 1966, is submitted herewith.

Following a review and study of the Company's holdings near Beauceville, Quebec, it was not considered economic to proceed with dredging operations in this area and the holdings therefore have been dormant during the year under review. Some minor equipment was disposed of and the two major items of equipment, namely a Lima Model 2400 electric dragline and a dredge, are now being offered for sale. The Company does not propose further mining operations in this area.

During the year shareholders surrendered for cancellation 5% unsecured, deferred, subordinated notes in the principal amount of \$142,187. with accrued interest thereon in the amount of \$35,668. and 6% deferred demand notes in the principal amount of \$274,219. with accrued interest thereon in the amount of \$35,295.

The item of management expense shown in the Statement of Exploration and Development in the amount of \$49,225. is the amount of prepaid management fees made under an agreement which would at a later date be recovered from profits. Since profits have not been forthcoming which would enable the recovery of this prepaid item in terms of the agreement, they have now been transferred to management expense.

Subsequent to year-end, the Company acquired a group of 15 mining claims in the Baie Johan Beetz area, Province of Quebec, immediately North of Anticosti Island on the North shore of the Gulf of St. Lawrence for staking costs of \$1,045.15 and proposes to carry out initial exploratory work on these claims during the early part of the 1967 field season.

On behalf of the Board of Directors,

M. J. BOYLEN,

President.

Toronto, Ontario.  
April 17, 1967.

Thorne,  
Gunn,  
Helliwell  
& Christenson

THORNE, MULHOLLAND, HOWSON & McPHERSON

CHARTERED ACCOUNTANTS

AUDITORS' REPORT

To the Shareholders of  
Beauce Placer Mining Co. Ltd. (No Personal Liability)

We have examined the balance sheet of Beauce Placer Mining Co. Ltd. (No Personal Liability) as at December 31, 1966 and the statements of deficit, exploration and development, and administration and general expenses for the year then ended and have obtained all the information and explanations we have required. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion, and according to the best of our information and the explanations given to us and as shown by the books of the company, the aforementioned financial statements are properly drawn up so as to exhibit a true and correct view of the state of the affairs of the company as at December 31, 1966 and the results of its operations for the year then ended, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

*Thorne, Mulholland, Howson & McPherson.*

Toronto, Canada  
April 14, 1967

Chartered Accountants

# BEAUCE PLACER

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Incorporated und

## Balance Sheet — (with comparati

### ASSETS

	1966	1965
<b>CURRENT ASSETS:</b>		
Accounts receivable .....	1,826	2,195
Government of Canada bond on deposit with Quebec Securities Commission at cost (market value 1966, \$866; 1965, \$892) .....	1,000	1,000
Prepaid expenses .....	397	49,952
	<u>3,223</u>	<u>53,147</u>
STORES AND SUPPLIES, at cost .....	11,059	14,269
	<u>11,059</u>	<u>14,269</u>
<b>FIXED ASSETS, at cost:</b>		
Land .....	40,633	44,633
Drilling and automotive equipment, machinery and furniture .....	52,337	82,881
Dredge and dredging equipment .....	664,446	664,446
Mining rights and properties, at value assigned by directors to 750,000 fully paid shares (10¢ per share) issued as consideration therefor .....	75,000	75,000
Value assigned by directors to 300,000 fully paid shares (30¢ per share) issued as consideration for exploration and development expenses of \$100,275 on the foregoing mining rights and properties .....	90,000	90,000
	<u>922,416</u>	<u>956,960</u>
<b>DEFERRED CHARGES:</b>		
Exploration and development expenses .....	1,040,756	977,953
Administration and general expenses .....	369,232	389,516
	<u>1,409,988</u>	<u>1,367,469</u>
	<u>\$2,346,686</u>	<u>\$2,391,845</u>

The accompanying notes are

# MINING CO. LTD.

(Liability)

the laws of Quebec

December 31, 1966

(figures for 1965)

## LIABILITIES

	1966	1965
CURRENT LIABILITIES:		
Bank advance .....	248	4,847
Accounts payable and accrued liabilities .....	29,622	20,020
Deposit re sale of fixed assets .....	25,000	25,000
5% Notes and accrued interest payable to shareholders .....	248,352	237,102
5% Unsecured, deferred subordinated promissory notes .....	207,813	350,000
Accrued interest on subordinated promissory notes .....	129,166	165,692
	640,201	802,661
LONG TERM LIABILITIES:		
6% Deferred demand notes .....	400,781	675,000
	1,040,982	1,477,661

## SHAREHOLDERS' EQUITY

CAPITAL STOCK:		
Authorized, 5,000,000 shares, par value \$1 each		
Issued, 4,318,134 shares (note 1) .....	977,936	977,936
Contributed surplus (note 2) .....	416,406	
	1,394,342	977,936
Deficit .....	88,638	63,752
	1,305,704	914,184
	<u>\$2,346,686</u>	<u>\$2,391,845</u>

Approved on behalf of the Board:

M. J. BOYLEN, Director.

R. J. ISAACS, Director.

integral part of this statement.

# Beauce Placer Mining Co. Ltd.

(No Personal Liability)

## NOTES TO FINANCIAL STATEMENTS

Year ended December 31, 1966

1. Capital stock:

Shares of the company have been issued as follows:

	No. of shares and par value	Discount	Net
For cash .....	3,268,134	2,455,198	812,936
For mining rights and property .....	750,000	675,000	75,000
For exploration and development .....	300,000	210,000	90,000
	<u>\$4,318,134</u>	<u>\$3,340,198</u>	<u>\$ 977,936</u>

No shares were issued during the year.

2. Contributed surplus:

During the year the following promissory notes were surrendered by the shareholders and cancelled:

	Principal	Accrued interest	Total
5% Unsecured, deferred, subordinated .....	142,187	35,668	177,855
6% Deferred demand notes .....	274,219	35,295	309,514
	<u>\$ 416,406</u>	<u>\$ 70,963</u>	<u>\$ 487,369</u>

The principal amount of \$416,406 is recorded in the accounts as contributed surplus and the accrued interest thereon has been credited to interest on promissory notes included in the statement of administration and general expenses.

## STATEMENT OF DEFICIT

Year ended December 31, 1966

(with comparative figures for 1965)

	1966	1965
Deficit at beginning of year .....	63,752	60,200
<i>Add</i>		
Loss on disposal of fixed assets .....	24,886	896
Option on purchase of mining properties written off .....		2,000
Accounts receivable written off .....		656
Deficit at end of year .....	<u>\$ 88,638</u>	<u>\$ 63,752</u>

# Beauce Placer Mining Co. Ltd.

(No Personal Liability)

## STATEMENT OF EXPLORATION AND DEVELOPMENT EXPENSES

Year ended December 31, 1966

### DRILLING

Balance December 31, 1965 and 1966 ..... 183,243

### DEVELOPMENT EXPENSES

Balance December 31, 1965 ..... 523,719  
Experimentation and feasibility ..... 6,261  
Balance December 31, 1966 ..... 529,980

### PURCHASE OF LAND EASEMENTS

Balance December 31, 1965 and 1966 ..... 10,536

### MINES OVERHEAD AND INDIRECT EXPENSE

Balance December 31, 1965 ..... 266,261

#### Expenses for year

Rent and services ..... 66  
Postage, stationery and supplies ..... (157)  
Office and warehouse expense ..... 2,030  
Travelling and transportation ..... 134  
Vacation with pay ..... 630  
General insurance ..... 220  
Employees group insurance ..... 7  
Fire protection expense ..... 2,725  
Unemployment insurance and workmen's compensation ..... (313)  
Municipal taxes ..... 485  
Shut down expense ..... 1,490  
Management expense ..... 49,225

Balance December 31, 1966 ..... 322,803

1,046,562

### REVENUE FROM WOOD CUTTING

Balance December 31, 1965 and 1966 ..... 5,806

\$1,040,756

# Beauce Placer Mining Co. Ltd.

(No Personal Liability)

## STATEMENT OF ADMINISTRATION AND GENERAL EXPENSES

Year ended December 31, 1966

	Balance December 31, 1965	Expenses during 1966	Balance December 31, 1966
Advertising .....	4,630		4,630
Bank loan interest .....	74,319		74,319
Overdraft interest, bank charges and discounts .....	13,300	(14)	13,286
Corporation taxes .....	961	325	1,286
Engineering and consulting .....	3,586	420	4,006
Legal and audit .....	17,764	1,137	18,901
Postage, stationery and supplies .....	7,083	37	7,120
Security and registration expense .....	2,285		2,285
Listing and sustaining fees .....	2,495	100	2,595
Telephone and telegraph .....	5,080	146	5,226
Transfer agent and registrar's fees .....	4,627	305	4,932
Travelling expense .....	11,903	226	12,129
Administration .....	42,600	1,800	44,400
Reports to shareholders .....	5,387	457	5,844
Payment to widow of former manager .....	1,000		1,000
General expense .....	1,061	52	1,113
	<u>198,081</u>	<u>4,991</u>	<u>203,072</u>
Interest on promissory notes .....	191,435	45,688	237,123
Less accrued interest on notes surrendered and cancelled .....		70,963	70,963
	<u>191,435</u>	<u>(25,275)</u>	<u>166,160</u>
	<u>\$ 389,516</u>	<u>\$ (20,284)</u>	<u>\$ 369,232</u>



